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INFO OCT-01 EUR-20 CAB-09 CIAE-00 COM-08 DODE-00 DOT-12
INR-07 NSAE-00 RSC-01 L-03 H-02 SS-20 NSC-10 PRS-01
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C O N F I D E N T I A L ROME 547

SUBJECT: CIVAIR: STATUS OF BI-LATERAL NEGOTIATIONS

REF: A. ROME 6345 B. STATE 986

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY DATE 25 MAY 1982
RDS☐or XDS☐EXT. DATE
ATERAL NEGOTIATIONS N(S)
ENDORSE EXISTING MARKINGS ☐
DCL ROME [illegible] RELEASABLE ☒
RELEASE DENIED ☐

1. SUMMARY: SERAFINI OF FOREIGN MINISTRY GAVE EMBOFF FORCEFUL EXPOSITION OF ITALIAN VIEW POINT ON LATEST TALKS. ITALIANS CONSIDER THEMSELVES INJURED PARTY SINCE THEY SAY US, BY INSISTING ON PRIOR CONSIDERATION OF 747 ISSUE, AGAIN REFUSED TO CONSIDER ITALIAN INTERESTS. ITALIANS SAY THEIR PAPER WAS NEGOTIATING POSITION AND NOT BACKWARD STEP AND THAT IN ANY CASE, 747 INTRODUCTION CAUSING US TROUBLE IN COUNTRIES OTHER THAN ITALY. ITALIANS SEE NO POINT IN FURTHER INFORMAL SESSIONS AND THINK PERHAPS WE SHOULD GO BACK TO FORMAL NEGOTIATIONS. END SUMMARY.

2. QUOTING AT LENGTH FROM AMB ORTONA'S REPORT ON THE TALKS, SERAFINI QUICKLY MADE CLEAR THAT ITALIANS CONSIDER THEMSELVES INJURED PARTY. (PORTIONS OF REPORT EMBOFF ALLOWED TO READ SEEMED CALM AND OBJECTIVE BUT THERE IS APPARENT TENDENCY HERE TO REGARD ORTONA AS TOO MODERATE ON THIS ISSUE AND TO ADD COLOR TO HIS REPORTS. SERAFINI HAD ALSO HAD BENEFIT OF SANTINI'S VERSION OF MEETINGS.) SANTINI CAME PREPARED TO DISCUSS AND RESOLVE 747 QUESTION AND HOPEFULLY OTHER POINTS AT ISSUE AS WELL. HOWEVER, ITALIANS CITE LONG OPENING WRANGLE OVER WHETHER 747 SHOULD BE DISCUSSED FIRST OR TOGETHER WITH OTHER POINTS AT ISSUE. THEY INSIST THAT US DEMANDED (ORTONA'S REPORT SAID "REQUESTED") PRIOR WRITTEN AGREEMENT BY ITALIANS TO ACCEPT 747S AS CONDITION PRECEDENT TO NEGOTIATION ON

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OTHER ISSUES. US WAS IN EFFECT DEMANDING THAT ITS OWN INTEREST BE TAKEN CARE OF BEFORE EVEN AGREEING TO DISCUSS ITALIAN INTERESTS. EMBOFF POINTED OUT THAT AGREEMENT HAD NOT IN FACT BEEN REACHED ON 747 AND WE HAD GONE ON TO DISCUSS OTHER MATTERS ANYWAY. SERAFINI RETORTED THAT WE HAD GIVEN ONLY PRO-FORMA CONSIDERATION TO ITALIAN PAPER, WHICH WAS, AFTER ALL, A STATEMENT OF THEIR MAXIMUM DEMANDS, AND HAD ADJOURNED DISCUSSIONS AFTER ONLY DAY AND A HALF IN FACE OF SANTINI'S DECLARED WILLINGNESS TO CONTINUE FOR FOUR DAYS. ADDED THAT ITALIAN REQUIREMENT FOR CONSULTATION ON 747 WAS CLEARLY STATED IN THEIR "ITALIAN DOCUMENT NO. 3" HANDED TO ASST. SECY. CHERINGTON ON OCT 4 (ROME 6345). EMBOFF REPLIED THAT REJECTING PAN AM'S APPLICATION OUT OF HAND HARDLY CONSITUTED CONSULTATION AND THAT OUR EAGERNESS TO CONSULT ON THIS SUBJECT SEEMED ODDLY ENOUGH TO HAVE OFFENDED ITALIANS.

3. SINCE SERAFINI SEEMED UNWILLING TO CONCEDE THAT ITALIAN POSITION PAPER CONSTITUTED BACKWARD STEP, EMBOFF REVIEWED IT WITH HIM DRAWING ON STATE 986 AND POINTING OUT ISSUES ON WHICH ITALIANS HAD HARDENED POSITION. HE REPEATED THAT THIS WAS NEGOTIATING DOCUMENT. EMBOFF TOLD HIM THAT WHATEVER ITALIAN INTENTIONS HAD BEEN, RESULT WAS TO CAUSE DIS-APPOINTMENT AND DISCOURAGEMENT OF AMERICAN SIDE WHICH NOW FACED WITH REARGUING QUESTIONS THOUGHT SETTLED YEARS AGO. SERAFINI MADE POINT THAT CAPACITY PROVISIONS PROPOSED IN ITALIAN PAPER REFERRED ONLY TO 747 QUESTION AND HE UNDERSTOOD ITALY NOT ALONE IN OBJECTING TO INTRODUCTION THIS PLANE. SAID HE HAD HEARD U.K., FRANCE AND GERMANY ALL EITHER HAD REFUSED 747 FILINGS OR WERE ASKING CONSULTATIONS. WHEN TOLD PAN AM ALREADY FLYING SCHEDULED DAILY 747 FREQUENCY TO LONDON (WHICH SURPRISED HIM) AND THAT EMBASSY HAD NO KNOWLEDGE OF ANY DIFFICULTIES WITH OTHERS, SERAFINI ASKED IF EMBASSY COULD GIVE HIM PIECE OF PAPER CONFIRMING CURRENT STATUS OF MATTER. HE OFFERED OPINION SUCH A DOCUMENT WOULD BE USEFUL IN CONVINCING CIVILAVIA TO MODIFY ITS STAND. DEPARTMENT PLEASE ADVISE CURRENT STATUS. IF NO PROBLEMS BEING ENCOUNTERED WITH U.K., FRANCE AND GERMANY, EMBASSY RECOMMENDS THAT REQUESTED PAPER BE PASSED TO FONMIN.

4. SERAFINI WAS ASKED WHAT HAPPENED TO HIS IDEA (ROME 1510) OF POSSIBLE TRADE-OFF OF TEMPORARY LOS ANGELES RIGHTS TO ITALY FOR CLEARANCE ON 747. REPLIED THAT ITALIANS DID NOT ASK FOR

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LOS ANGELES BECAUSE THEY DID NOT THINK THEY WOULD GET IT. EMBOFFI REPLIED THAT HE QUITE RIGHT IN ASSUMING THAT US WOULD NOT CONCEDE THAT 747 RIGHTS WERE A VALUABLE CONCESSION FOR WHICH WE WILLING TO PAY; NEVERTHELESS IT SEEMED ODD THAT ITALIANS HAD NOT EVEN RAISED SUBJECT OF THEIR STANDING REQUEST FOR LOS ANGELES ON WHICH HE HAD INDICATED THEY WERE FEELING AGGRIEVED.

5. SERAFINI ALS NOTED THAT THIS WAS SECOND SUCCESSIVE TIME SANTINI HAD GONE TO WASHINGTON FOR "INFORMAL TALKS" AND ON BOTH OCCASIONS HE HAD FOUND HIMSELF PRACTICALLY ALONE FACING A BATTERY OF AMERICANS. ITALIAN IDEA OF INFORMAL TALKS IS HEAD TO HEAD SESSIONS WHERE COMPROMISES CAN BE DISCUSSED IN TRULY INFORMAL MANNER. THEY SEE LITTLE POINT OF FURTHER DISCUSSIONS IN CURRENT FORMAT AND ARE THINKING OF PROPOSING THAT NEXT SESSION BE FORMAL NEGOTIATIONS IN ROME.
MARTIN

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